



State of Louisiana
Division of Administration
Office of State Uniform Payroll

November 26, 2013

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2014-21

TO: LaGov HCM Agency Human Resources
and Employee Administration Staff

FROM: Andrea P. Hubbard
Director

SUBJECT: Rate Changes for the Following Statewide Vendor Products:
Colonial Life & Accident (30013) Cancer Policies and Riders
Transamerica Life (30131) Cancer and Cancer-C/V Policies
United Teacher Associates (30108) Cancer-C/V Policies

Colonial Life & Accident, Transamerica Life, and United Teacher Associates will be implementing a rate increase effective January 1, 2014 for the above policies. On or before August 26, 2013, these vendors mailed letters to all agencies affected by this rate increase, along with a list of the employees' current deduction amounts and the new amounts. At the same time, letters were mailed from these vendors to the employees affected notifying them of this change. A new Payroll Deduction Authorization Form (SED-4) with the new rates was also enclosed with the letter.

Employees who accepted the rate change would have signed the forms and sent them back to the appropriate vendor by October 14, 2013. Vendors were required to forward a signed copy of the SED-4 form to the payroll office by November 4, 2013 to be entered. Agencies should have all deduction changes entered for the January 10, 2014 payday. Employees who did not submit the signed SED-4 by the October 14th deadline will have their policies cancelled upon notice from these vendors, effective January 1, 2014.

Vendors were required to prepare and send a list of employees who did not agree to the changed rates (did not sign the new SED-4 form) to the payroll offices by November 11, 2013. The list should indicate the employee's name, social security number, and product. A new Payroll Deduction Authorization Form, SED-4, was also mailed to the employee and agency indicating that coverage for this specific policy has been cancelled effective January 1, 2014. **The employee signature is not required on these SED-4's. The SED-4 should include all other active policies the employee has with the vendor as new SED-4's supersede all prior forms.**

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Cancellations and rate changes must be entered by the agency in eEnrollment to avoid one time refunds and deductions. For those employees in the Flexible Benefits Plan, the agencies will need to select the qualified event, “**SIGNIFICANT INCREASE IN COST OF COVERAGE**”, when modifying the deduction amount or cancelling the deduction in eEnrollment.

Employees that have accepted the rate increase but have not had the policy in force for one full year as of January 1, 2014 cannot have the rate increase effective until that one year has passed per the Louisiana Insurance Code (Title 22 of the Louisiana Revised Statutes). If the vendor chooses to have the increase effective when that year is up, they must include this information in a cover letter to the agencies with the SED-4 so that the increase will be handled properly for those employees enrolled in the Flexible Benefits Plan.

If you have any questions about the rate changes, please contact the following Administrative Coordinators for the vendors listed below:

Colonial Life & Accident, Martie Summerford (803) 678-6344
Transamerica Life, Leslie Hubbard (800) 400-3042 ext 1271382
United Teacher Associates, Janet King (866) 459-4272 ext 1428

Any other questions should be directed to a member of the OSUP Benefits and Financial Administration Unit at _DOA-OSUP-BFA@LA.GOV or (225):

Jodi Bullock	342-5345	Desiree Jefferson	342-5377
Michelle Richmond	342-5357	Brandy Boyd	342-5354
Jessamye Charette	342-5344		

APH:JAB/ral

c: Ray Harrison, Office of Group Benefits
Martie Summerford, Colonial Life & Accident
Leslie Hubbard, Transamerica Life
Janet King, United Teacher Associates